



CONNECTICUT ASSOCIATION FOR
HEALTHCARE AT HOME

WRITTEN TESTIMONY

Submitted by Deborah R. Hoyt, President and CEO
The Connecticut Association for Healthcare at Home

Committee on Aging
February 25, 2014

IN SUPPORT OF:

HB 5222 - AN ACT CONCERNING A STUDY OF FUNDING AND SUPPORT FOR HOME AND COMMUNITY-BASED CARE FOR ELDERLY PERSONS AND PERSONS WITH ALZHEIMER'S DISEASE

HB 5225 - AN ACT INCREASING ELIGIBILITY FOR THE CT HOME CARE PROGRAM FOR THE ELDERLY

HB 5227 - AN ACT CONCERNING AGING

Good morning Senator Ayala, Representative Serra and honorable members of the Committee on Aging. My name is Deborah Hoyt, President and CEO of the Connecticut Association for Healthcare at Home.

The Association represents 60 Connecticut DPH licensed/Medicare certified home health and hospice agencies that foster cost-effective, person-centered healthcare in the setting people prefer most – their own home. Collectively, our agency providers deliver care to more CT residents each day than those housed in CT hospitals and nursing homes combined.

As a major employer with a growing workforce, our on-the-ground army of 17,000 home health care workers is advancing the State's goals of Aging in Place and Money Follows the Person (MFP) by providing high-tech and telehealth interventions for children, adults and seniors.

We are Connecticut's community-based safety net for the elderly and those with Alzheimer's disease. Through collaboration with the state Access Agencies, Meals on Wheels, Adult Day Care and other community-based providers, we manage the care of this medically complex and fragile segment of Connecticut's population.

The Association supports the expansion of services to this population through HB 5222, HB 5225 and HB 5227, however, we have serious concerns. The home care agencies that provide this care have reached a critical juncture in terms of business survival.



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The State reimbursement to providers is sorely inadequate to the point where home care providers have opted OUT of serving Connecticut Home Care Program for Elders (CHCPE) clients. Medicaid reimbursement rates to home health providers have not been adjusted since 2007, while regulatory requirements, cost of living and employee benefits have increased dramatically. The business model for providers in CT is no longer sustainable to meet the growing Medicaid population.

The expansion of community based services to elderly persons and those with Alzheimer's cannot be achieved until and unless the State of CT increases home health provider Medicaid reimbursement to cover the cost of care provided.

Currently, reimbursement only covers .58 - .60 cents on the dollar of care provided. Home care agencies can no longer sustain the financial losses on each patient that it serves under CHCPE and Medicaid. Additional volume of patients equates to exponentially greater financial losses.

In a survey of CT home care provider agencies that are members of the Association

- 75% of survey respondents said that they no longer provide care under the CHCPE due to inadequate reimbursement. Additional reasons include the punitive audit process, inequitable split cases and minimum hourly requirements.
- 58% of respondents that currently serve the CHCPE populations said that they will cease to participate as a provider in the near future due to inadequate reimbursement.
- On an encouraging note, 100% of survey respondents said that they **WOULD** continue or begin to participate as a home care provider under the CHCPE program if the state adjusted the reimbursement rate to cover the cost of care provided.

As the Aging committee addresses the future needs of our most vulnerable citizens, we urge you to weigh the value and cost savings that home and community-based care offers. Connecticut must invest in the survival and future of the providers that are enabling these significant savings to the Medicaid program.

Thank you.